



*The Commonwealth of Massachusetts
Commonwealth Health Insurance Connector Authority
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Boston, MA 02108*

DEVAL PATRICK
Governor

GLEN SHOR
Board Chair

JEAN YANG
Executive Director

Board of the Commonwealth Health Insurance Connector Authority

Minutes

Thursday, June 13, 2013
9:00 AM to 12:00 PM
One Ashburton Place
Boston, MA 02108
21st Floor Conference Room

Attendees: Glen Shor, Jean Yang, Nancy Turnbull, Louis Malzone, George Gonser, Ian Duncan and Jonathan Gruber. Elizabeth Brodeur attended in place of Dolores Mitchell until 9:30 at which point Ms. Mitchell joined the meeting. Celia Wcislo attended the meeting by telephone. Nancy Schwartz attended in place of Joseph Murphy. Amanda Cassel Kraft attended in place of Julian Harris. Andres Lopez was absent.

The meeting was called to order at 9:04 AM.

- I. Minutes:** The minutes of the April 11, 2013 meeting were approved by unanimous vote.
- II. Executive Director's Report:** Jean Yang reported that both Commonwealth Choice and Commonwealth Care had experienced an increase in enrollment for the final month of FY13. Commonwealth Care enrollment remained mostly flat in the past month. She also reported that Commonwealth Choice experienced a slight increase of just over 500 members, bringing overall enrollment to 41,788 members in total. Ms. Yang then discussed ongoing Commonwealth Care open enrollment which, in its last year of the program, is going well. She added that the Health Connector (CCA) will report to the Board on this. She also mentioned that merged market non-group open enrollment will also be taking place soon, marking the last state open enrollment period before the transition to the ACA open enrollment periods. Ms. Yang stated that CCA will be performing another marketing campaign in conjunction with the last state open enrollment. Ms. Yang then stated that the previous Board presentation on operational readiness and the two presentations for this Board meeting, on the Seal of Approval

(SoA) and communications and outreach, represent the priorities for CCA. She emphasized the need for CCA to have a highly effective and flawless communication strategy and that she looks forward to the Board's criticism and feedback to ensure success.

III. Conditional Award of 2014 Seal of Approval: The PowerPoint presentation "Conditional Award of 2014 Seal of Approval (VOTE)" was presented by Ashley Hague, Sarah Bushold and Allison Kean. Ms. Hague began the presentation by presenting a timeline to show CCA's progress to date in the SoA process. Ms. Hague then explained that all of the plans shown that receive conditional approval will be considered for the award of final SoA in September contingent upon the Division of Insurance (DOI) providing approval, a process which launches in July. Ms. Hague stated that the new products are not only ACA compliant, they also include new dental products, tiered co-pays, catastrophic plans and an overall refreshed offering to serve the market and provide an apples-to-apples shopping experience. Ms. Hague continued by saying that CCA focused on preserving standardization. Ms. Hague stated that CCA was encouraged and excited by the responses received and that this SoA yielded the highest carrier participation with a new medical issuer and five new dental issuers.

Ms. Hague then provided a review of the requirements for plans set by CCA for this SoA previously shared with the Board. Mr. Gruber asked which design was wrap compatible. Ms. Hague answered that a non-standardized silver plan could be wrapped if it were designed in such a way that cost sharing would be compatible. However, she explained, carriers only proposed standardized silver plans for their wrap plans. Ms. Yang then explained that CCA also has its own network adequacy requirements in addition to DOI's requirements. Ms. Turnbull then asked what the requirements were for offering these products outside of CCA. Ms. Hague explained that all products offered by CCA have to be offered in the merged market outside of CCA. Secretary Shor added that these plans would still need to fall within the federally prescribed parameters.

Ms. Hague then discussed the review process, thanking DOI, Gorman Actuarial, Freedman Health Care and Boston Benefits Partners for their collaboration. She reiterated that rates are due July 1, 2013 and the final SoA will be in September. Ms. Hague assured the Board that there would be plenty of opportunity to review the rates before the final SoA recommendation. She explained that any plan not recommended for conditional SoA would not be considered.

Ms. Bushold then presented the high level summary of recommendations for the Board. She explained that ten issuers submitted SoA proposals for seven standardized plans. Further, she explained that there were sixteen additional plan designs bringing the total number of proposed medical plans to 86. Ms. Turnbull asked how ACA metallic tiers correlate with the current tiers. Ms. Bushold explained that the ACA metallic tiers are very different than current day Commonwealth Choice and that, for example, current Bronze plans will be considered Gold plans under the ACA. Ms. Turnbull asked where

the majority of the market would purchase insurance. Ms. Yang replied that most Massachusetts residents purchase Gold and Platinum type plans.

Ms. Bushold then discussed the two issuers who proposed optional standardized plans, CeltiCare and Fallon Community Health Plan (FCHP). Ms. Wcislo asked whether it would be possible to translate to existing members what QHP would correlate to their old plan. Ms. Hague explained this is a challenge and CCA is working hard to develop materials to educate current members on issues such as this.

Ms. Bushold then presented the recommendations for the non-standardized plans by metallic tier. She explained that for the Platinum tier, the recommendations were for small group products only. For the Gold tier, where there is a greater market demand, CCA proposed plans from FCHP, Harvard Pilgrim Health Care (HPHC), Neighborhood Health Plan (NHP), Tufts Health Plan (THP) and Blue Cross Blue Shield (BCBS). Elizabeth Brodeur from the Group Insurance Commission noted that she thought a \$2,000 deductible was high. Ms. Bushold explained that the cost sharing increases significantly as one continues down the metallic tiers due to the design of the federal actuarial value (AV) calculator. Ms. Turnbull asked whether there were separate standards for tiered networks. Ms. Schwartz answered that plans are required to have network adequacy across all tiers but that, by statute, DOI does not look at each tier separately. Ms. Yang added that for AV, tiered networks are assessed by their distribution of providers. Ms. Bushold then presented the recommended Silver plans from HPHC and Minuteman. Ms. Wcislo asked how CCA knows which plan will be wrapped. Ms. Hague explained that none of the non-standardized plans were identified by carriers as wrap compatible. Ms. Wcislo then asked how AV is affected by wrap. Ms. Yang answered that depending on income cohort, AV of wrap plans will be 93% AV, 96% AV or 99% AV. Mr. Gruber asked whether there was a tiered plan proposed on the Silver tier. Ms. Bushold explained that carriers had to propose tiered networks at the Platinum and Gold levels only. Mr. Duncan asked which network Minuteman was using and whether they were capable of administering these members. Ms. Bushold answered that the carrier has a co-op grant through the Centers for Medicare and Medicaid Services (CMS) and are undergoing licensure to make sure they are properly capitalized. She continued by stating that they have built a local network with FirstHealth and are using Health New England for their administration. She stated that their network will not cover western Massachusetts or Cape Cod and the Islands. Secretary Shor noted that federal funds will be available to them because of the co-op grant. Ms. Bushold added that CCA will work with Minuteman to ensure that they have appropriate contracts in place and an adequate network before the final SoA is awarded. Ms. Bushold then presented the two Bronze plans being recommended, adding that there is no Bronze plan in the marketplace today and CCA wanted to ensure a streamlined product shelf on that tier.

Finally, Ms. Bushold presented the Catastrophic plans being recommended. She explained that CCA is allowing Boston Medical Center HealthNet Plan (BMCHP), CeltiCare and Network Health (NWH) to withdraw their Catastrophic plans as CCA received an adequate number of plans. Ms. Turnbull asked what the AV for

Catastrophic plans was. Ms. Bushold answered that the AV is approximately 58%. Mr. Gonser asked if these were Qualified Health Plans. Ms. Bushold explained that they were not because there were three office visits not subject to a deductible. Mr. Gruber then asked how these plans were priced. Ms. Yang explained that, per the ACA, carriers are allowed to price based on those who enroll only in Catastrophic plans so it is like a single risk pool. Ms. Turnbull asked if this can be overridden with the merged market rule. Ms. Yang said CCA would so research and follow up on that query. Mr. Gruber asked how this would be enforced to ensure that carriers are not building selection. Ms. Bushold explained that this is done through DOI rate review. Ms. Yang added that the metallic tier structure makes this much easier to track and reminded Mr. Gruber that this product would only be available for individuals up to age 30. Ms. Turnbull asked why these plans wanted to retract their Catastrophic plan proposal. Ms. Bushold explained that there is no significant presence of this product in the market. Ms. Duncan asked whether a low income person would try and purchase a Catastrophic plan. Ms. Hague explained that depending on income, one qualifies for either MassHealth or wrap, which would be much more advantageous than these plans for those individuals, and that they cannot use their advanced premium tax credits (APTC) towards Catastrophic plans. Ms. Mitchell asked whether CCA will be able to collect data on those who have reached their deductible by certain characteristics. Ms. Yang answered that this can be tracked through the all payer claims database (APCD) data and that, hopefully, this type of data can be tracked in the first year of offering these products. Ms. Mitchell then asked how much variation was being offered. Ms. Bushold explained that the overall summary on slide 11 shows that while there are 115 plans, the vast majority are standardized plans. Ms. Yang added that in addition to the seven standardized plans, there are only 16 unique plans being offered and that Catastrophic plans, which are virtually subsidized, yields a total of 24 plans. Ms. Mitchell expressed concern for messaging to consumers in the shopping process to which Ms. Hague explained that the structure of CCA's shopping experience will also help consumers determine the best plans for them.

Ms. Kean then presented a summary of the proposed dental shelf explaining that five issuers responded, all of whom offered small group products and two of whom offered non-group products. She further stated that there were 21 standardized and ten non-standardized plans being recommended. Ms. Kean then provided an overview of network adequacy review. Ms. Turnbull asked whether the ability for a dentist to take new patients was accounted for in the review process and whether community health center availability was a factor. Ms. Kean explained that the ability to take new patients is part of DOI's review and that the essential community provider requirement under the ACA applies to dental as well as medical.

Ms. Kean presented the non-standardized plan designs for pediatric dental. Secretary Shor asked whether someone under the age of 19 would have everything covered above \$1,000. Ms. Kean responded that member out-of-pocket only applies to in-network services and that members are responsible for any out-of-network costs, even if it is over the maximum out-of-pocket and that this is consistent with the rest of the market. Mr. Gruber asked how many people reach their maximum out-of-pocket. Ms. Kean

explained that this represented a small number of individuals and that those who do reach this usually have medically necessary orthodontia. Mr. Duncan asked if there was a requirement to purchase the pediatric essential health benefit (EHB). Ms. Kean answered that this was not a requirement but that CCA had to make it available for purchase to satisfy the EHB. Ms. Turnbull asked if there were minimum loss ratios to which Ms. Kean answered that under the ACA there were none. Ms. Kean then presented the non-standardized family plans. Mr. Gruber asked why there were two numbers represented. Ms. Kean explained that for family plans, if one has two or more children then there is a higher maximum out-of-pocket which is an annual benefit maximum for those over age 19. Ms. Turnbull asked Ms. Kean to explain who Altus is. Ms. Kean answered that Altus is an established provider in Massachusetts whose parent company is Delta Dental of Rhode Island. Mr. Duncan asked whether there were waiting periods for restorative procedures and orthodontia. Ms. Kean answered that there is a six-month waiting period for minor restorative procedures and that she will look into waiting periods for orthodontia.

Ms. Hague then discussed the next steps in the SoA process, explaining that CCA will work very closely with the Board as they receive and review premiums. She explained that not only is the SoA conditioned upon rates, but also the addition of value that each product brings to the shelf. The final SoA, she further stated, will include a recommendation of the state wrap plans. Ms. Turnbull then noted that the Board will have to take premium rates into review very seriously for the final SoA. Mr. Duncan expressed concern for the short period of time between rate release and the final SoA. Ms. Hague acknowledged that this will be a challenge but stated her confidence in CCA's close relationship with DOI and the opportunity to spend time on dental rates and wrap compatible rates in July. Ms. Mitchell asked whether CCA would be able to do provider overlap analysis in the case of higher renewal rates. Ms. Bushold explained that on the medical side, CCA receives provider files on a monthly basis and would be able to do ongoing review and assessment for this analysis. Ms. Yang added that CCA is confident that this information will be provided on an ongoing basis in addition to real-time provider search tools on the medical side. She further stated that in addition to CCA scrutinizing renewal rates, DOI will oversee these rates. She also emphasized the role of competition in the market which helps to ensure reasonable renewal rates. Secretary Shor noted that this is a huge step forward for CCA as a place to shop for health insurance, that CCA will have more carriers than ever before including the possibility of a new entrant. He stated that heart of the offering will continue to be standardized but that products will be refreshed to match market needs, that this will be the first time CCA sells dental, the first time CCA offers tiered co-pay products and that overall this is a huge milestone towards CCA becoming an even more appealing destination for shopping. He noted that this was a moment to reflect on the enormous amount of work that went into this SoA and that the Board should be proud of the work of the staff, the commitment of the carriers and the health reform work being done in the Commonwealth. The Board voted unanimously to award conditional SoA to all proposed standardized Qualified Health Plans and Qualified Dental Plans, and to select non-standardized Qualified Health Plans and Qualified Dental Plans, as recommended by staff, that were offered by the following carriers: Altus Dental,

BCBS, BMCHP, CeltiCare, Delta Dental of Massachusetts, FCHP, Guardian, HPHC, Health New England, MetLife, Minuteman Health, NHP, NWH and THP.

IV. Outreach & Communications Strategy and Contract Extension (VOTE): The PowerPoint presentation “Outreach & Communications Strategy and Contract Extension (VOTE)” was presented by Ashley Hague, Jen Bullock, Niki Conte, Kaitlyn Kenney and David Kerrigan. Ms. Hague began the presentation by discussing the national campaign for health reform and the unique challenges in Massachusetts. Mr. Gruber asked whether consumer support technology would be integrated. Ms. Hague replied that there is a strong continued commitment to decision support, informational videos and online help functionality that will be present even if not explicitly mentioned in the day’s presentation. She explained that this is because the presentation focuses on ACA messaging and member transitions in Massachusetts. Mr. Malzone asked how many individuals CCA plans to outreach. Ms. Hague explained that there are 250,000 current CCA members in need of outreach, 100,000 of whom will be going to MassHealth, and that within that population there will be different mechanisms for communication and different calls to action. Ms. Turnbull asked about outreach to non-group individuals who do not purchase through CCA. Ms. Hague explained that they will also need to be transitioned during open enrollment. Ms. Hague then presented shared potential key messages about the ACA in Massachusetts. Ms. Wcislo asked about the use of the term “marketplace”. Ms. Hague explained that the term “marketplace” is nationally what the Center for Consumer Information and Insurance Oversight (CCIIO) uses for exchanges and that CCA sees itself as a marketplace. Amanda Cassel Kraft noted that among the important messages about the ACA, the transition to care models that save money by providing better care is significant. She shared the example of the recent award for a state innovation model grant to the Executive Office of Health and Human Services (EHS) made possible by the ACA which supports payment and delivery system reforms and helps drive forward the goals of Chapter 224 and the success of Accountable Care Organizations (ACOs). Secretary Shor emphasized the importance of appreciating the magnitude of the challenges posed by the ACA while acknowledging the enormous potential for reward. For example, he stated, the ACA enables covering those with existing coverage, opening up coverage to more low income individuals, making it easier for young people to get coverage and for seniors to afford prescriptions, it encourages the creation of state exchanges across the country modeled after CCA where there is an easier shopping experience and federal support as a result of the ACA allows Massachusetts to more effectively lead its efforts for better health care. Ms. Hague then shared the overview of communications planning which involves CCA, advocate groups and EHS and also provided an overview of initiatives being done.

Ms. Bullock then provided an overview of the outbound calling campaign that will be used for member transition. She explained that CCA will outreach 215,000 current and future QHP members and that this will run for the duration of ACA open enrollment. She stated that there will be a high-touch outreach method composed of auto-dialing and live agent calls to get people enrolled into coverage. Ms. Wcislo asked whether there will be a chance to do testing and focus groups for this initiative. Ms. Conte

answered that for direct member communications there will be opportunities for field testing. Ms. Bullock then described the direct mail and e-mail campaigns which will begin in August and go through March. She explained that this will include postcards, invoice inserts, open enrollment packet and other letters. Ms. Mitchell asked whether the carriers are being authorized to do marketing on their own while CCA performs this outreach and whether CCA will monitor this to mitigate member confusion. Ms. Hague answered that CCA has provided feedback to some of the collateral being put out by carriers. She further stated that it has been helpful to see how CCA's community partners have discussed the ACA. She also added that CCA holds bi-weekly carrier meetings and that member transitions has been discussed with that group in order to better coordinate efforts for the citizens of the Commonwealth.

Ms. Conte then presented on work being done with enrollment assisters such as Certified Application Counselors, Navigators and brokers. She discussed how CCA will train brokers on the ACA, will provide broker Continuing Education credits, will hold workgroups and will also prepare collateral and send e-mail blasts. Ms. Conte further stated that Navigators will be conducting outreach through various events and will also directly assist in enrolling individuals. Certified Application Counselors, Ms. Conte stated, will be similar to the current Virtual Gateway users and CCA will be working closely with EHS to train these individuals properly. Ms. Turnbull asked if these counselors would be paid to which Ms. Conte answered that they would not be compensated, unless their own organizations pay them. Mr. Gruber asked whether CCA is coordinating with Enroll America. Ms. Hague answered that CCA communicates with them often.

Ms. Kenney then discussed roadshows that CCA will be doing in late summer and early fall. She explained that these will be town hall style events for employers and brokers. Ms. Kenney further explained that CCA is also planning community outreach events to target individuals and families in the summer. Ms. Kenney then discussed the development of CCA's Public Information Unit which will respond to questions and will also look into recurring themes and issues that need to be addressed by staff and partners. Finally, Ms. Kenney mentioned the collateral development being done by CCA for a diverse audience. Mr. Malzone expressed concern for employer and union relations under the ACA and asked that CCA be able to look into providing information on the landscape and various risks. Ms. Kenney responded that CCA will look into venues and functions that can help to educate those groups.

Mr. Kerrigan then provided a brief overview of CCA's media campaign including print, radio and television advertisements. Ms. Wcislo noted that she believes member testimonials will be especially effective. Mr. Kerrigan then discussed the public education, outreach and advertising work that CCA has done with Weber Shandwick since 2007. Secretary Shor noted that this relationship is especially important as communications during this time will have to be more robust than ever. The Board voted unanimously to authorize the Executive Director to renew its contract with Weber Shandwick for a one-year period beginning July 1, 2013, as recommended by Connector staff. Finally, a timeline was presented outlining all of the activities being

done for communications and outreach, showing accelerated efforts during the summer months and during federal open enrollment.

The meeting was adjourned at 11:52 AM.

Respectfully submitted,
Rebekah D. Diamond